

OCPF Online

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Office of Campaign and Political Finance
One Ashburton Place, Room 411
Boston, MA 02108

Advisory Opinion

May 24, 2002 AO-02-26

Marshall T. Moriarty Moriarty and Connor, LLC 101 State Street, Suite 501 Springfield, MA 01103-2070

Re: Springfield Republican City Committee sponsorship of charitable fundraising event

Dear Mr. Moriarty:

This letter is in response to your April 30, 2002 request for guidance regarding the Springfield Republican City Committee's sponsorship of an event to benefit several charitable organizations.

Facts

You have stated that you are the chairperson of the Springfield Republican City Committee ("the Committee"). Along with a number of other Republican city, town and ward committees, you are interested in sponsoring a Salsa/Reggae Festival on September 21, 2002 at the Springfield Civic Center to raise funds to benefit a number of charitable organizations. You anticipate that substantial "up front" expenditures will be needed to reserve the Civic Center, arrange for the entertainment, provide publicity and make other arrangements. The committees sponsoring the event will work with an existing non-profit charitable organization that will make all expenditures, raise funds from business or non-profit organizations and individuals, and distribute net proceeds among the charitable organizations to be benefited by the event.

The Committee and the other party committees, which will each be identified as sponsors of the event, will not make expenditures, handle the financial transactions associated with the event, or receive proceeds from the event. The committees' role will be limited to facilitating the event through your personal involvement and that of other individuals associated with the sponsoring committees, and in lending their committee names as sponsors. The publicity associated with sponsoring the event will enhance the visibility of the committees and thereby further their long-term interests.

Question

May the Committee and other city and town party committees sponsor the event?

Response

Yes. A committee's non-financial sponsoring of an event held by an existing non-profit entity, and your providing your time to facilitate the event, would not raise issues under the campaign finance law. It should be made clear to persons making contributions, however, that they are contributing to the charities, not to the sponsoring political committees.

This office has stated that political committees may not establish and administer charitable organizations. See AO-94-20 (concluding that a committee may not hold a fundraising event to establish a scholarship that would be administered by a political committee). A committee may host a fundraising event for a charitable organization if the funds are given directly to a charity and are not deposited in the committee's account and the committee is not involved in the ongoing operations of the charitable entity. See AO-95-25.

Regulations issued by the office contain limitations on *expenditures* that may be made for charitable purposes by political party committees. <u>See</u> 970 CMR 2.06(3)(a), AO-97-19 and AO-97-19A. The regulations do not restrict the non-financial sponsorship by a committee of charitable fundraising events in the circumstances described in your question.

This opinion is provided on the basis of representations in your letter and in your conversations with OCPF staff, and is issued solely within the context of the campaign finance law. You should contact the Attorney General's Division of Public Charities to ensure compliance with the public charities law. In addition, you may wish to contact the Massachusetts Republican Party to ensure compliance with the state party committee's rules.

I encourage you to contact us in the future if you have further questions.

Sincerely,

Michael J. Sullivan

Michael J Sullwan

Director